

Required Language that must be included in By-laws and Constitution for Private Organizations that Wish to operate on Camp Humphreys:

References: AR 210-22, Private Organizations on the Department of Army Installations. 1 November 2001.

Purpose: The following must be contained in applications to operate on Camp Humphreys. A legal review will not be conducted favorably unless all the following regulatory guidance has been adhered to.

2-1. Written permission

a. Approval.

(1) Before operating on Army installations, POs must request and receive written permission from the commander. The approving document includes --

(a) A statement that neither the installation nor the Government will have any liability for the PO's actions or debts.

(b) A statement that the installation commander may revoke permission to operate at any time.

(2) Private organizations seeking permission to operate on an Army installation will furnish the following required documentation with a written application to the installation commander:

(a) A charter, articles of agreement, constitution, bylaws, or other authorization documentation acceptable to the installation commander. (See format sample at fig 2-1.) If affiliated with a national, regional or State organization, the PO will include documentation of the parent organization.

(b) Any other documentation that states the PO's nature, functions, objectives (including planned use of funds), and activities.

(c) An explanation of membership eligibility and responsibilities for all management functions (including accountability of assets, coverage and limitation of insurance and disposition of remaining assets on breakup of the PO).

(d) A statement of the PO's liability, if assets are not enough to cover all PO liabilities. The statement of liability will include a provision that all State and jurisdictional laws are

met. Also, it will address the extent of the PO members' personal liability for debts of, or claims against, the PO.

(e) Agreement to reimburse the Army for utility expenses, unless use is incidental (would cost more to bill and collect than it costs to provide the utility).

(f) A statement that the PO will neither propagate extremist activities nor advocate violence against others or the violent overthrow of the Government.

(g) Statement that PO activities will not seek to deprive individuals of their civil rights.

c. Reporting requirements.

(1) In addition to information required when approval is requested, approved POs will supply the following on a routine basis (but not less than annually) to the installation commander's designee, as required by the installation commander:

(a) Minutes or summaries of PO meetings.

(b) Financial statements.

(c) Any major changes in PO activities, membership requirements, officers, objectives, organization, constitution, bylaws, use of funds, and management functions.

(d) Names, addresses, and phone numbers of officers.

(e) A copy of audit reports.

(f) A copy of any correspondence about applicability of Federal, State, or local laws.

d. Revalidation.

(1) Private organizations having approval to operate may operate for 2 years, unless cancelled by either party.

(2) Approval expires automatically 2 years from the date of last approval, unless revalidated.

(3) Private organizations must submit revalidation requests to the installation commander no less than 90 days before expiration of the 2-year approval. (Commanders may establish longer suspense times.)

(4) Requests will include documentation of any changes in PO activities, objectives, organization, constitution, membership, and so forth.

3-2. Insurance

- a.* Private organizations will obtain adequate insurance as protection against public liability, claims, property damage claims, or other legal actions arising from PO activities, one or more of the PO's members acting on its behalf, or the operation of any equipment, apparatus, or device under the control and responsibility of the PO.
- b.* Fidelity bonding will be purchased by an organization for members or employees handling monthly cash flow exceeding \$500. (Bonding will be equal to the normal maximum amount of cash handled.)

3-3. Audit

Organizations with gross annual revenue of \$1,000 or more will arrange for an audit at least once every 2 years, at their own expense. (On change of PO treasurer, an audit will be conducted, regardless of the time elapsed since the last audit.) Organizations with financial statements audited annually by their national headquarters may submit a copy of such an audit rather than applying the following provisions:

- a.* Private organizations using a double-entry accounting system will have audits done by a qualified auditor. (See definition in glossary and para 5-3c.)
- b.* Private organizations using a single-entry accounting system are audited as follows:
 - (1) With income only from contributions, dues, and assessments, audits may be conducted by either a PO member who holds no office and is at least 18 years of age or by a qualified auditor.
 - (2) When a PO engages in resale or other fundraising activities, the audit is performed by either an appointed committee of three PO members who hold no office, or by a qualified auditor.

3-4. Taxes

Private organizations will comply with all Federal, State, and local tax laws and codes. (The PO will contact the proper tax officials to ensure compliance with all tax laws and will obtain private counsel when such assistance is needed.)

- a.* Federal income tax. Certain types of POs (such as religious, educational, or scientific) may qualify for exemption from Federal income tax under section 501 of the Internal Revenue Code. When a parent organization controls taxes for local chapters, the local PO will furnish a statement to this, one that is signed by an official of the parent organization's headquarters. Other POs will obtain a statement of their tax status from their Internal Revenue Service (IRS) district office.

- b.* Federal income tax withholding for employees. For Federal employee taxes and reports on amounts paid, POs will obtain guidance from private counsel or the IRS.
- c.* State and local sales, income, occupation, and employer taxes. Local law determines whether POs are exempt from State and local taxes.
- d.* Foreign taxes in overseas locations. Laws of the country where located will be followed.

3-5. Compliance with State or local laws

Generally, POs are not exempt from State or local laws because they operate on Federal property. Private organizations will obtain licensing, certification, or registration of PO activities if required by State, local, or foreign authorities where the installation is located.